

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

H. B. No. 408

Introduced by HONORABLE JUAN EDGARDO "SONNY" M. ANGARA

EXPLANATORY NOTE

Land is vital to the people's sense of security and quest for a better quality of life. However, the security of people's land tenure can only be achieved through an efficient land administration system including efficient survey and mapping of land, first-time titling of alienable and disposable land, registration of land titles and title transfer and public land management.

The performance of government agencies in undertaking land surveys, mapping, classification, disposition and registration is currently hampered by fundamental legal and institutional defects in both the structure and operations of the land administration system.

These institutional and structural defects in land administration have caused major inefficiencies including extensive delays in the disposition and titling of alienable and disposable land, inaccurate and incomplete land records, duplicate and fake titles, duplication and overlapping of activities between government agencies, and unnecessary costs to both the national and local governments and the general public.

To address these problems, the Government has been undertaking a Land Administration and Management Project preparatory to a long-term program to fundamentally reform the present land administration system.

A fundamental prerequisite in the pursuit of the necessary reforms is the consolidation and streamlining within a single government agency of land administration powers and functions. Currently, this is dispersed across the Department of Justice's Land Registration Authority and Registries of Deeds and the Department of Environment and Natural Resources' Lands Management Bureau, Land Management Services in the regional, provincial and community offices, National Mapping and Resource Information Authority, and CARP Secretariat and its field offices.

The Philippines is unusual, compared to its neighboring countries, in that the government's land administration functions are currently dispersed across multiple agencies. Without integrating these three agencies, it would be difficult to undertake the major long term investment of resources that will be necessary to implement the required overall reforms.

The proposed Land Administration Reform Act seeks to enable the lands sector to contribute to economic growth and poverty alleviation. It is for these reasons that the consideration and approval of the bill is earnestly sought.


JUAN EDGARDO "SONNY" M. ANGARA
Representative
Lone District, Province of Aurora

Introduced by Honorable JUAN EDGARDO "SONNY" M. ANGARA

AN ACT
INSTITUTING REFORMS IN LAND ADMINISTRATION

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

ARTICLE I
GENERAL PROVISIONS

SECTION 1. Short Title. This Act shall be known as ***"The Land Administration Reform Act of 2010."***

SEC. 2. Declaration of Policy. It is hereby declared the policy of the State to institutionalize reforms in land administration in order to optimize and rationalize their contribution to the goals of national development, eradication of poverty and attainment of social, economic and cultural justice. Towards this end, the State shall:

- a) Provide the leadership and management of reforms in land administration;
- b) Promote efficient and effective mapping, land survey, classification, disposition, registration and management of private and public lands;
- c) Undertake a comprehensive and continuing land administration program that will make the processes and procedures on land registration and titling affordable, reliable and expeditious;
- d) Assist in the attainment of the government's asset reform programs;
- e) Accelerate and complete the distribution, titling and registration of alienable or disposable lands to provide security of land tenure;
- f) Undertake reforms in land administration and management to ensure equitable distribution and full utilization and development of alienable or disposable lands;
- g) Improve the efficiency, effectiveness, transparency and accountability of land administration services;
- h) Rationalize the structure, powers and functions of the different land administration agencies and integrate all land administration and registration policies, plans, programs and projects of various government agencies to increase the efficiency of the land titling system of the government, with expeditious delivery of services that are viable with sustainable land administration programs and projects;

- i) Establish a sustainable and viable administration of land through computerization of functions and removal of overlaps and duplication in the delivery of land administration services;
- j) Establish an administrative system for the cancellation of duplicate and fake titles and the eradication of land grabbing activities;
- k) Provide accessible, efficient and affordable land administration services to the people through the establishment of one-stop shops nationwide;
- l) Establish an effective land information system and provide easy and affordable access to land information by members of the public;
- m) Improve the skills of and career opportunities for government employees engaged in the provision of land administration services;
- n) Rationalize and clarify the entitlements of persons to land titles to make the process of issuing original titles fast and low-cost;
- o) Promote and support the development of a national land administration and management education system;
- p) Identify and reduce disincentives to the registration of property transactions;
- q) Mainstream gender in all aspects of the land administration system; and
- r) Recognize, respect, ensure participation and assist in the enforcement of land related rights of men and women of the basic sectors, as defined in Republic Act No. 8425, otherwise known as the "Social Reform and Poverty Alleviation Act."

SEC. 3. Definition of Terms. For the purpose of this Act, the following terms shall, unless the context indicates otherwise, have the following meanings:

- a) "Alienable and disposable lands" refers to agricultural lands of the public domain which have been delineated, classified and certified as available for disposition under the Public Land Act.
- b) "Agricultural lands" refers to lands devoted to or suitable for the cultivation of the soil, planting of crops or growing of trees, and not classified as mineral land, forest land or national park, or subclassified as residential land, commercial land or industrial land.
- c) "Automated registration system" refers to a system using appropriate technology for scanning, recording and land registration using electronic devices to store the copy of certificates of title and other documents relative thereto.
- d) "Classification and reclassification" refers to the act of Congress in setting the specific limits of forest lands and national parks, and increasing or decreasing their boundaries by law, as provided for in Article XII, Section 4 of the 1987 Philippine Constitution.
- e) "*Consulta* and/or query" refers to the procedure where the Registrar of Deeds or the registrant may elevate the issue of registrability of certain instruments to the Land Registration Authority (LRA) Administrator as defined in Section 117 of Presidential Decree No. 1529, otherwise known as the Property Registration Decree.

- f) "Director General" refers to the person occupying the position of Director General of the Land Administration Authority created by this Act.
- g) "Land" refers to resources, both man-made and natural, found on the surface, below and above the ground, including inland waters and the air therein.
- h) "Land Administration and Management Project (LAMP)" refers to the project office providing technical and administrative support to the interagency endeavor of the Philippine government to identify strategic directions toward land administration reform in land institutions, laws, taxes and fees, and valuation.
- i) "Land administration and public land management" refers to the administration of all functions, powers and activities related to the mapping, land survey, classification, ownership, disposition and registration of land titles and deeds, and the management of public lands.
- j) "Land Management Bureau (LMB)" refers to the staff bureau of the Department of Environment and Natural Resources (DENR).
- k) "Land Management Services (LMS)" refers to the land management sector or offices of the DENR at the regional, provincial and district level.
- l) "Land registration case" refers to the proceeding, either administrative or judicial, for registering the title to, or interest in, a land so that such title or interest becomes a matter for public record, and all persons who have interest in the land may be informed thereof, actually or constructively, and be bound thereby if they make no objections thereto within a specific time.
- m) "Land Registration Authority (LRA)" refers to the attached agency of the Department of Justice (DOJ), including the Registers of Deeds (RoD).
- n) "National Mapping and Resources Information Authority (NAMRIA)" refers to the agency known by that name attached to the DENR.
- o) "President" refers to the President of the Philippines.
- p) "Public domain" refers to lands that belong to the State which may either be agricultural, forest or timber, mineral or national park as provided for in the Constitution.
- q) "Public lands" refers to lands which have not been subject to private property rights or subject to sale or other modes of acquisition or concession under general laws, and are devoted to public use.

ARTICLE II

CREATION OF THE LAND ADMINISTRATION AUTHORITY

SEC. 4. *Creation of the Land Administration Authority (LAA).* To carry out the purposes of this Act, the Land Administration Authority (LAA) is hereby created and placed under the Office of the President. It shall be the primary government agency responsible for land administration and public land management.

SEC. 5. Powers and Functions of the LAA. The LAA shall exercise the following powers and functions:

- a) Conduct, integrate and regulate the functions of geodetic and geophysical surveys, land classification surveys, mapping, aerial photography, remote sensing, management of resource information needed by both public and private sectors, and research development thereof in accordance with existing laws and internationally accepted norms, procedures and standards;
- b) Survey, map and maintain a database to support the determination of specific limits of forest lands and national parks by Congress, as provided under Section 4, Article XII of the Constitution;
- c) Survey, map, maintain a database on, administer, manage and/or dispose of all alienable and disposable lands of the public domain and other lands, including foreshore and marsh lands, under the provisions of Commonwealth Act No. 141, as amended, otherwise known as the Public Land Act, and in accordance with existing laws;
- d) Manage, sell and/or dispose the remaining Friar Lands under the provisions of Act No. 1120, as amended, and in accordance with existing laws;
- e) Manage and dispose lands of patrimonial property of the national government under the provisions of Act No. 3038, or such other government lands as have not been placed under the administration, management, control or exclusive use of any other government agency by legislative or executive issuance;
- f) Register original titles to land issued pursuant to Commonwealth Act No. 141, as amended, and subsequent dealings of registered lands under the provisions of Act No. 496 and Presidential Decree No. 1529, otherwise known as the Land Registration Act and the Property Registration Decree, respectively;
- g) Conduct, regulate and approve all types of land surveys including surveys intended for the implementation of Commonwealth Act No. 141, as amended, Republic Act No. 6657 or the Comprehensive Agrarian Reform Law (CARL) and Republic Act No. 8371 or the Indigenous Peoples' Rights Act of 1997 (IPRA);
- h) Prepare, issue and register all titles to land issued pursuant to Commonwealth Act No. 141, as amended, and subsequent dealings of registered lands including all types of tenure instruments intended for the implementation of the CARL and the IPRA;
- i) Determine, fix and collect reasonable amounts to be charged as administration fees, fines and penalties relative to the implementation of this Act;
- j) Formulate land administration and management policies in accordance with existing national laws;
- k) Promulgate rules, regulations, circulars and other administrative issuances as may be necessary to implement the provisions of this Act;
- l) Perform such other functions undertaken by the LRA/RoD, the LMB/LMS and the DENR-Comprehensive Agrarian Reform Program (DENR-CARP) National

Secretariat under Presidential Decree No. 1529 and Commonwealth Act No. 141, as amended; and

- m) Perform such other functions as are necessary, proper and incidental to implement the provisions of this Act.

Whenever any reference is made to the LRA/RoD, the LMB/LMS and the DENR-CARP National Secretariat under Executive Order No. 192, Presidential Decree No. 1529 and Commonwealth Act No. 141, as amended, pertaining to a duty, power, purpose, responsibility or jurisdiction transferred to the LAA by this Act, it shall be deemed to be a reference to, and to mean, the LAA and the Director General of the LAA, as the case may be.

SEC. 6. Stakeholders' Advisory Committee. The LAA shall be assisted by a Stakeholders' Advisory Committee composed of the following:

- a) Six representatives from the basic sectors chosen through the nomination process of the National Anti-Poverty Commission (NAPC);
- b) Two representatives from the NAPC Women's Sectoral Council;
- c) Three representatives from the private sector such as, but not limited to, real estate, professionals/practitioners and the academe to be appointed by the President; and
- d) The LAA Director General, as *ex officio* member.

The President shall designate the chairperson from among the members of the committee. Except the LAA Director General, the members of the advisory committee shall not hold office in the LAA nor receive any salary but shall be entitled, for actual attendance during meetings, to such allowances and honoraria as are allowed by the rules and regulations promulgated by the Commission on Audit.

SEC. 7. Functions of the Stakeholders' Advisory Committee. The committee shall advise the LAA on the formulation of policies and policy development pertaining to land administration and public land management and shall monitor their implementation. It shall submit, within three months following the end of each calendar year, a report to the President on its advisory and monitoring activities.

SEC. 8. Meetings of the Committee. The chairperson shall convene regular meetings of the committee at least once every quarter. Special meetings may also be called by the chairperson or at the initiative of at least three members.

SEC. 9. Secretariat and Logistical Support. The office of the LAA Director General shall provide secretariat and logistical support to the committee.

ARTICLE III IMPLEMENTING MECHANISM

SEC. 10. *Structure and Organization.* The LAA shall consist of:

- a) The office of the Director General;
- b) The offices of the Deputy Directors General;
- c) The offices of the Assistant Directors General; and
- d) Field offices.

SEC. 11. *The Director General.* The authority and responsibility for the exercise of the mandate of the LAA, the accomplishment of its objectives and the discharge of its powers and functions shall be vested in the Director General, of cabinet rank, who shall be appointed by the President. The Director General shall have the following functions:

- a) Advise the President on the promulgation of rules, regulations and other issuances relative to land administration and public land management;
- b) Serve as *ex officio* member of each division of the Land Adjudication Board pursuant to Section 16 hereof;
- c) Establish policies and standards for the efficient and effective operations of the LAA in accordance with the programs of the government;
- d) Promulgate rules, regulations and other issuances necessary in carrying out the LAA's mandate, objectives, policies, plans, programs and projects;
- e) Exercise control and supervision over all functions and activities of the LAA;
- f) Delegate authority over all powers, functions and activities of the LAA; and
- g) Perform such other functions as may be provided by law or assigned by the President.

SEC. 12. *Office of the Director General.* The office of the Director General shall consist of the Director General, his immediate staff and the office of the Legal Services.

SEC. 13. *Deputy Directors General.* The Director General shall be assisted by at least three Deputy Directors General who shall be appointed by the President. At least one of the Deputy Directors General shall be a member of the bar or a geodetic engineer with at least five years experience in any land administration function. The Director General is hereby authorized to delineate, assign and/or reassign the respective functional areas of responsibility of the Deputy Directors General: *Provided*, That no Deputy Director General shall be assigned primarily administrative responsibilities. Within his functional area of responsibility, a Deputy Director General shall have the following functions:

- a) Advise the Director General in the promulgation of administrative orders and other issuances with respect to his area of responsibility;
- b) Exercise supervision over the offices, departments or operating units, and officers and employees under his responsibility;
- c) Promulgate rules and regulations that will efficiently and effectively govern the activities of the units under his responsibility;

- d) Coordinate the functions and activities of the units under his responsibility with those of other units under the responsibility of other Deputy Directors General;
- e) Exercise authority on substantive and administrative matters related to the functions and activities of the units under his responsibility as may be delegated by the Director General; and
- f) Perform such other functions as may be provided by law or assigned by the Director General.

SEC. 14. Assistant Directors General. The Director General and Deputy Directors General shall be assisted by five Assistant Directors General in the formulation, management and implementation of land administration and public land management laws, policies, plans, programs and projects.

SEC. 15. Field Offices. The LAA shall establish permanent field offices at city and provincial levels. The LAA may also establish additional field offices in a city or province as it may determine for the efficient and effective delivery of its services subject to the approval of the President: *Provided*, That the additional field offices may be abolished by the Director General when these are no longer necessary.

The field offices shall undertake, among others, the following functions:

- a) Implement laws, policies, plans, programs, projects, rules and regulations of the LAA on land administration and public land management;
- b) Provide efficient and effective delivery of services to the people;
- c) Coordinate with field or branch offices of other agencies of the government in the region and with local government units in the enforcement of land administration and public land management laws and regulations and in the formulation and implementation of programs and projects;
- d) Recommend and, upon approval, implement programs and projects on land administration and management and related concerns;
- e) Conduct a comprehensive inventory of alienable and disposable lands of the public domain and of patrimonial properties and formulate district/provincial/regional short- and long-term development plans for the management, administration, utilization and disposition of such lands toward national development; and
- f) Perform such other functions as may be assigned by the Director General and/or as provided by law.

ARTICLE IV

LAND ADJUDICATION BOARD

SEC. 16. Creation of the Land Adjudication Board (LAB). There is hereby created a Land Adjudication Board (LAB) that shall exercise primary jurisdiction to determine and adjudicate land administration and public land management matters. The LAB shall have

exclusive original jurisdiction over all matters involving the implementation of laws, rules and regulations on land administration and public land management including petitions for the correction of clerical or typographical errors committed in writing, copying, transcribing or typing of an entry in the maps, survey plans and certificates of land titles, except those cases falling under the jurisdiction of the Department of Land Reform (DLR) unless specifically provided herein.

The LAB shall be divided into three divisions. Each division shall exercise equal powers, independently resolving cases raised on appeal from the decisions of the Local Land Adjudication Boards, created pursuant to Section 18 hereof, from Luzon, Visayas and Mindanao: *Provided*, That the divisions assigned to handle cases from Visayas and Mindanao shall hold permanent office in any of the cities therein.

SEC. 17. Composition. Each division of the LAB shall be composed of three permanent members who shall be appointed by the President: *Provided*, That the Director General of the LAA shall sit as *ex officio* or fourth member of each division.

The permanent members of each division shall elect their presiding officer.

SEC. 18. Local Land Adjudication Board. The LAB shall create a Local Land Adjudication Board in the provincial or city office which shall be composed of three members who shall be appointed by the LAB. Decisions, orders and resolutions of the Local Land Adjudication Board shall be raised on appeal to the LAB.

SEC. 19. Budget and Administrative Support. The LAB shall determine and propose its budgetary requirements and shall be submitted as part of the LAA's budget request. Disbursements of the approved budget resources shall be the sole responsibility of the LAB. Secretariat services shall be provided by the LAA.

SEC. 20. Proceedings and Procedures. The LAB shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Towards this end, it shall adopt a uniform rules of procedure to achieve a just, expeditious and inexpensive determination of merits: *Provided*, That it shall endeavor to settle disputes and controversies amicably.

In the exercise of its functions, the LAB shall have the power to summon witnesses, administer oaths, take testimony, require submission of reports, compel the production of books and documents and answers to interrogatories, issue *subpoena* and *subpoena duces tecum* and enforce its writs through sheriffs or other duly deputized officers. It shall punish direct and indirect contempt in the same manner and subject to the same penalties as provided for in the Rules of Court.

Responsible persons shall be allowed to represent themselves or their organizations in any proceedings before the LAB: *Provided, however,* That when there are two or more representatives for any individual or group, the representatives should choose only one from among themselves to represent such party or group before any LAB proceedings.

SEC. 21. *Finality of Determination.* Any case or controversy before the LAB shall be decided within thirty (30) days after it is submitted for resolution. Only one motion for reconsideration shall be allowed. Moreover, any order, award, ruling or decision shall be final after the lapse of fifteen (15) days from receipt by the parties of a copy thereof.

SEC. 22. *Frivolous Appeals.* To discourage frivolous or dilatory appeals from the decisions, awards, rulings or orders, the LAB may impose reasonable penalties including, but not limited to, fines or censures upon erring parties.

ARTICLE V JUDICIAL REVIEW

SEC. 23. *Certiorari.* Any decision, order, award or ruling of the LAA on any dispute or on any matter pertaining to the application, implementation, enforcement or interpretation of this Act and other pertinent laws on land administration and public land management may be brought to the Court of Appeals by certiorari within fifteen (15) days from the receipt of a copy thereof.

The findings of fact of the LAA shall be final and conclusive if based on substantial evidence.

SEC. 24. *Restraining Order or Preliminary Injunction.* Only the Court of Appeals and the Supreme Court of the Philippines shall have jurisdiction to issue any restraining order or writ of preliminary injunction against the LAA or any of its duly authorized or designated offices in any case, dispute or controversy arising from, necessary to, or in connection with the application, implementation, enforcement or interpretation of this Act and other pertinent laws on land administration and public land management.

SEC. 25. *Procedure on Review.* Review by the Court of Appeals or the Supreme Court, as the case may be, shall be governed by the Rules of Court. The Court of Appeals, however, may require the parties to file simultaneous memoranda within a period of fifteen (15) days from notice, after which the case is deemed submitted for decision.

ARTICLE VI TRANSITORY PROVISIONS

SEC. 26. *Transfer of Powers.* The powers and functions of the LAA heretofore vested by law in the DENR, the DOJ, the LRA/RoD, the LMB/LMS, the DENR-CARP National Secretariat and the LAMP, or in any office within or attached to these agencies, are hereby transferred to and vested in the office of the LAA Director General.

SEC. 27. *Transfer of the NAMRIA as an Attached Agency of the LAA.* The NAMRIA is hereby attached to the LAA. It shall retain its functions, structure, budgetary allocation under the current General Appropriations Act and all properties, equipment and other facilities necessary in the performance of its mandate.

SEC. 28. *Organization of the LAA.* The LAA's organizational and administrative structure and functions and staffing pattern, which shall not exceed the total number of permanent positions that have been merged, including the personnel's duties and responsibilities and the appropriate compensation package, shall be submitted by the Director General for review and approval of the President and shall be fully implemented within a period of three months after such approval.

SEC. 29. *Transfer of Personnel.* To ensure a smooth transition, all incumbent personnel of the DENR's LMB/LMS, the DENR-CARP National Secretariat and its field offices, the LAMP and the DOJ's LRA/RoD shall continue to perform their present duties and functions as interim personnel of the LAA until such time, being not later than twelve (12) months from the effectivity of this Act, that the regular staff of the LAA, based on the new staffing pattern, shall have been appointed: *Provided*, That the regular personnel shall be appointed by the Director General, or his/her duly authorized representative, on the basis of merit, previous permanent appointment, fitness and seniority: *Provided, moreover*, That except for the positions of Director General and Deputy Directors General, there shall be no hiring of new personnel for the LAA.

SEC. 30. *Abolition of the LMB/LMS, the DENR-CARP National Secretariat and the LRA/RoD.* The DENR's LMB, LMS and CARP National Secretariat and its field offices, and the DOJ's Land Registration Authority and Register of Deeds are hereby abolished.

SEC. 31. *Separation Pay and Other Benefits.* Personnel who are not offered appointment within twelve (12) months upon the effectivity of this Act under the new staffing pattern of the LAA on at least equivalent terms and conditions as their present employment by reason of duplication or redundancy and those who decline an appointment in the LAA by reason of diminution in rank and conditions shall be entitled to the separation pay and other benefits in accordance with Sections 10.1 to 10.3 and 13 of Executive Order No. 366 dated October 4, 2004.

SEC. 32. *Reemployment.* Government personnel who are separated as a result of the integration of the aforementioned offices may apply for positions and be employed in other agencies or branches of the government including government-owned and/or -controlled corporations (GOCCs), government financial institutions (GFIs) or local government units (LGUs).

SEC. 33. *Unexpended Appropriations and Transfer of Assets.* The unexpended balances of appropriations in the current General Appropriations Act and other laws in force upon approval hereof, pertaining to, held, or used by, or available to the LRA and RoD, the LMB, the LMS, the DENR-CARP National Secretariat and its field offices, and the LAMP are hereby transferred to the LAA.

Such other unexpended balances of appropriations as may be deemed appropriate by the Department of Budget and Management for transfer to the LAA shall also be so transferred.

All real and personal properties, assets, liabilities, records, documents, positions, appropriations, contracts and agreements which, upon the effectivity of this Act, are vested in, or owned, by the LMB/LMS, the DENR-CARP National Secretariat and its field offices, the LRA/RoD and the LAMP are hereby transferred to the LAA.

SEC. 34. *Penal Provisions.* Any person who sells forms issued and distributed gratuitously under this Act or who, being an officer charged with distributing them, refuses or fails without sufficient reason to furnish the same shall be punished for each offense by a fine of not less than One hundred thousand pesos (P100,000.00) and not more than One million pesos (P1,000,000.00) or imprisonment of not less than six months nor more than three years, or both, at the discretion of the court.

Any person, corporation, association or partnership which, not being qualified or no longer authorized to apply for registration purposes, files or induces or knowingly permits another person, corporation, association or partnership to file an application in his/her or its behalf, or for his/her or its interest, benefit or advantage shall be punished for each offense by a fine of not less than One hundred thousand pesos (P100,000.00) or imprisonment of not less than five years, or both, at the discretion of the court: *Provided*, That in case the offender is a corporation, association or partnership, their responsible officials shall be deemed jointly and severally liable. The application shall be cancelled.

Any person who shall, by deceit or fraud, acquire or attempt to acquire lands of the public domain or other real property or any right, title or interest, or property right of any class to the same, and any person aiding and abetting him therein or serving as a means or tool thereof shall, upon conviction, be punished by a fine of not less than One hundred thousand pesos (P100,000.00) and imprisonment of not less than five years nor more than twelve (12) years, or both, at the discretion of the court.

Any person who shall tamper or attempt to tamper any records of the LAA that will result in the acquisition of rights, title or interest over real property and any person aiding and abetting him therein or serving as a means or tool thereof shall, upon conviction, be punished by a fine of not less than Five hundred thousand pesos (P500,000.00) and imprisonment of not less than twelve (12) years, or both, at the discretion of the court.

For purposes of this Act, if the offender is a public official or government official or employee, he or she shall be, in addition to the existing penalties, removed from office, forfeit all retirement benefits except the monetary value of accumulated leave credits and be perpetually disqualified from holding any elective or appointive public office.

SEC. 35. *Preservation of Records.* The LAA shall have possession and control of all records, books, papers, offices, equipment, supplies, moneys, funds, appropriations, land and other property, real or personal, held for the benefit or use of all bodies, offices and officers whose duties, powers and functions have been transferred to and conferred upon the Authority.

Pending a written notice of receipt issued by a duly authorized officer of the LAA, it shall be the duty of any and all personnel responsible for, or in possession of records relating to the affairs of the LMB, the LMS, the DENR-CARP National Secretariat and its field offices, the LRA and the RoD to protect and preserve such records.

Without prejudice to any other penalties provided for by law, any person who fails to fulfill his/her duty pursuant to the above paragraph shall be guilty of an offense against the provisions of this Act, punishable by a fine of not less than One million pesos (P1,000,000.00) or imprisonment of not more than five years, or both, at the discretion of the court.

SEC. 36. *Saving Clause.* All orders, determination, rules, regulations, permits, certificates, licenses and privileges which have been issued, made or granted effective by the former LMB, LMS, LRA, RoD, DENR-CARP National Secretariat and its field offices, and LAMP, or their predecessors shall continue to be in effect according to their terms until modified, terminated, superseded, set aside or repealed.

No suit, action or other proceedings commenced by or against any officer in his official capacity as an officer of any division or unit of the former LMB, LMS, LRA, RoD, DENR-CARP National Secretariat and its field offices, and LAMP, the functions of which are transferred by this Act to the LAA shall abate by reason of this Act. In like manner, no cause of action by or against such division or unit or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits or other proceedings may be asserted for or against the LAA or such official of the LAA, as may be appropriate.

ARTICLE VII
MISCELLANEOUS PROVISIONS

SEC. 37. *Use of Income.* The LAA is hereby authorized to use twenty percent (20%) of all revenues derived from fees, charges and other sources in the implementation of its projects.

SEC. 38. *Assurance Fund.* A special account within the LAA is hereby created for the entire proceeds of the Assurance Fund, which shall no longer be paid to the National Treasurer as provided for in Section 94 of Presidential Decree No. 1529. Claims from the Assurance Fund shall be heard, decided and determined by the LAB. All pending cases or claims against the Assurance Fund now being handled by the Bureau of Treasury, through the Office of the Solicitor General, shall likewise be transferred to the LAB. Thereafter, the National Treasurer shall no longer be impleaded as party in any action against the Assurance Fund.

SEC. 39. *Indemnification of Officials and Personnel.* The LAA shall indemnify all officials and personnel for all costs and expenses reasonably incurred by such persons in connection with any civil or criminal actions, suits or proceedings to which they may be or made a party by reason of the performance of their functions or duties, unless they are finally adjudged in such actions or proceedings to be liable.

In the event of settlement or compromise, indemnification shall be provided only in connection with such matters covered by the settlement as to which the LAA is advised by an external counsel that the persons to be indemnified did not commit any gross negligence or misconduct.

The costs and expenses incurred in defending the aforementioned action, suit or proceeding may be paid by the LAA in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director General wherein the official or employee shall repay the amount advanced should it ultimately be determined by the LAA that such official or employee is not entitled to be indemnified as provided in this section.

SEC. 40. *Implementing Rules and Regulations.* Within sixty (60) days from the effectivity of this Act, the LAA shall promulgate the rules and regulations to implement the provisions of this Act. Said rules and regulations shall be submitted to the Congressional Oversight Committee for approval.

SEC. 41. *Congressional Oversight Committee on the Land Administration Reform Act.* There is hereby created a Congressional Oversight Committee composed of seven Members from the Senate Committee on Environment and Natural Resources and seven Members from the House of Representatives Committees on Natural Resources, Housing and Urban Development, and Government Reorganization.

The Congressional Oversight Committee, which shall function for a period of not more than three years, shall review the implementing rules promulgated by the LAA including the procedures on claims against the Assurance Fund and shall oversee the implementation of this Act.

The secretariat of the Congressional Oversight Committee shall be drawn from the existing secretariat personnel of the committees of the Senate and the House of Representatives comprising the oversight committee and the funding for its operations shall be taken from the existing budget of the concerned committees.

SEC. 42. *Separability Clause.* Should any provision of this Act or any part hereof be declared unconstitutional or invalid by a court, the other provisions hereof which are not affected thereby shall remain in force and effect.

SEC. 43. *Repealing Clause.* The pertinent provisions of the CARL and the IPRA with regard to the conduct of survey, approval of survey results, preparation and issuance of tenure instruments, and the provisions of Presidential Decree No. 1529 pertaining to the Assurance Fund and their implementing rules and regulations are hereby amended or modified accordingly.

All other laws, decrees, orders, instructions, proclamations, rules and regulations or parts thereof, including pertinent provisions of Commonwealth Act No. 141, as amended, Act No. 496, Presidential Decree No. 1529, Executive Order No. 192 and its related rules and regulations; Executive Order No. 469 dated February 11, 1981 and the subsequent Presidential Memorandum Circular dated September 30, 1988 and their related rules and regulations; and the Administrative Code of 1987, which are inconsistent with any provision of this Act, are hereby repealed, modified or amended accordingly.

SEC. 44. *Effectivity.* This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,